

# Kretinsky appears at UK select committee: multi-billionaire owner of Royal Mail denounces the mail service

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Daniel Kretinsky, the billionaire owner of Royal Mail, spoke before the UK parliament's Business and Trade Committee this week. His arrogant performance exposed the Communication Workers Union (CWU)'s claim that he would be held "accountable" for the collapse of the mail service.

Tuesday's proceedings were trailed heavily in the media, with Politico claiming that Kretinsky faced a "grilling". The CWU's hyped coverage portrayed the parliamentary committee as a "serious investigation" into quality-of-service failures.

The committee reported that, given the current level of dysfunction, Royal Mail would deliver late 220 million letters this year. MPs highlighted missed medical appointments and the risk that ballot papers might not be received in the upcoming May local elections across England, Scotland, and Wales.

Kretinsky was in denial mode, stating baldly: "It is not perfect, but it's not catastrophic". The billionaire railed against the retention of First Class letters in the Universal Service Obligation (USO). It is exempt (for now) from Ofcom's recent downgrade of standard mail from 6-day delivery to alternate-day delivery.

His refusal to display contrition in front of the cameras, or to acknowledge the evidence, caused some rancour. Liam Byrne, Labour MP and chair of the cross-party committee, warned Kretinsky he may be called back under oath, especially over his denial that parcels were being prioritised over letters, implying he was at risk of perjuring himself.

But Kretinsky had full measure of his adversaries: representatives of the same political establishment that handed ownership of Royal Mail to his private equity firm, EP Group, in December 2024, a prelude to its

carve-up and restructuring by investors.

Notwithstanding the faux outrage by Labour MPs, every aspect of Kretinsky's wrecking operation was rubber-stamped by the Starmer government and by CWU officials Dave Ward and Martin Walsh, who backed Kretinsky's £3.6 billion takeover.

The World Socialist Web Site has exposed Starmer's Deed of Undertaking with Kretinsky, which gave him carte blanche to dismantle the USO. Ward's accompanying Framework Agreement established a workplace model anchored in the downgrade of the mail service. It agreed to expand duties and drive up workloads to create an Amazon-style parcel delivery network.

Ofcom, the regulator, ditched its supposed role as "public watchdog", agreeing last July to dismantle the USO, explicitly endorsing a cost-cutting exercise that would save Royal Mail's new owners an estimated £430 million a year.

Kretinsky's decrying the USO as an "unfair financial burden" has been faithfully echoed by the CWU's top officials.

During proceedings at the select committee, Kretinsky used Ofcom's own downgrading of the USO to deflect criticism. Royal Mail had reached 98 percent of Ofcom's new "reliability" targets, he argued. These allow a reduction in delivery speed, with 99 percent of letters permitted to arrive up to two days late (three days for First Class and five days for Second Class). Ofcom's revised targets are being used as intended: to normalise service failure and dismantle the mail service.

Kretinsky rejected the bland assurances for service improvement sought by Byrne, stating these could not

be given “unconditionally”. He demanded full implementation of USO reform, impatiently declaring that no other country in Europe operated a First Class system as part of their universal service obligations—even the Netherlands and Italy were “abandoning” it.

Those countries charged around €5 (£4.30) for First Class letters, compared to £1.70 in the UK (soon to be £1.80), highlighting the scale of price increases being prepared.

Byrne cut Kretinsky short, preventing further tirades against the USO that risked exposing the direction of travel. The country did not want to be compared to Italy, Byrne interjected.

But postal workers across Europe and internationally are being exploited by the same companies and financial institutions and face the same coordinated attacks. EP Group in the Netherlands has established a 29 percent stake in PostNL, becoming its largest shareholder. It has demanded the complete removal of the universal service requirement, cutting mail delivery from five to just two days per week. At least 3,000 delivery jobs face the axe—more than one in five jobs.

In the United States, the entire postal service is being threatened with bankruptcy. While the Trump Administration and Congressional Democrats have handed \$1 trillion to the military, they are demanding massive job cuts and “efficiencies” across USPS to prevent its collapse.

Proceedings at Tuesday’s select committee reached absurd levels when a panel member asked Kretinsky why, as a billionaire, he wanted to take over Royal Mail. Kretinsky replied that he was “driven by the challenge, not by profit”.

Kretinsky’s EP Group empire has been built through buying up undervalued assets and injecting capital to make long-term profits. It boasts a portfolio spanning energy, infrastructure, logistics, retail, and media. Its Royal Mail takeover was leveraged through borrowings of £2.3 billion from major investors who are demanding their pound of flesh from the company’s workforce and a carve-up and asset stripping of the company.

The corporate oligarchy cannot be made “accountable”. Its parasitic interests are incompatible with secure, well-paid jobs, safe working conditions and a reliable mail service. The oligarchy’s grip over

society must be broken. This means building up a network of rank-and-file power and a new leadership in the working class to prepare for the mass struggles ahead.

All postal workers who support an international fightback against the destruction of public services and the drive to war should make contact with the PWRFC and the International Workers Alliance of Rank-and-File Committees.



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